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## Before the Federal Communications Commission Washington, D.C. 20554

In the Matter of	)	
	)	
Amendment of Section 2.106 of the	)	ET Docket No. 95-18
Commission's Rules to Allocate	)	
Spectrum at 2 GHz for Use	)	
by the Mobile-Satellite Service	)	•
	)	

## **COMMENTS OF CELSAT AMERICA, INC**

Celsat America, Inc. ("Celsat"), by its attorneys, submits these comments in response to the Memorandum Opinion and Order and Third Notice of Proposed Rulemaking ("Third NPRM") released by the Federal Communications Commission ("Commission") on November 25, 1998 in the above-captioned proceeding. In the Third NPRM, the Commission affirms its decision to allocate 1990-2025 and 2165-2200 MHz Band to Mobile Satellite Service ("MSS"). In addition, the Commission proposes to reallocate Broadcast Auxiliary Service ("BAS") from the 2025-2130 MHz band to the 2025-2110 MHz. More importantly, the Commission proposes to adopt policies that will govern the relocation of the BAS and FS licensees

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See In the Matter of Amendment of Section 2.106 of the Commission's Rules to Allocate Spectrum at 2 GHZ for Use by the Mobile-Satellite Service, ET Docket No. 95-18, Memorandum Opinion and Order and Third Notice of Proposed Rulemaking and Order, FCC 98-309, rel. November 25, 1998 ("Third NPRM").

who will be affected by the allocation of additional spectrum to 2 GHz MSS. To facilitate their relocation, the Commission seeks comment on its proposal to exempt systems from paying the relocation costs for BAS or FS if they can coexist with these incumbents in the 2 GHz band. Given the sharing possibilities available due to emerging innovative technologies, Celsat supports the Commission's proposal and believes that it is not necessary for all 2 GHz licensees to pay relocation costs when spectrum sharing is a more spectrally efficient and just alternative. Instead, the Commission should require only those 2 GHz MSS licensees who cannot share spectrum with BAS or FS to pay relocation costs.

Celsat is an MSS applicant that has developed a technologically-advanced hybrid 2 GHz MSS system that will offer affordable services to all Americans. With its patented technology, Celsat will be able to readily and economically serve sparsely populated rural areas where service by PCS, cellular and other mobile services is less feasible. Another benefit of Celsat's MSS system is that, by using advanced technology, it can share spectrum with BAS and FS in the 2 GHz band without causing or receiving harmful interference. Celsat has demonstrated to the Commission the unique manner in which its hybrid 2 GHz MSS system can share spectrum with BAS and FS licensees.<sup>2</sup> The potential for interference in the 2 GHz

See Ex Parte Presentation by Celsat America, Inc. at the Office of Engineering and Technology (Dec. 17, 1998).

band is minimized further by the elevation angle of Celsat's GEO satellite and the low operating power levels of Celsat's handsets.

In the First Report and Order in the above-captioned proceeding, the Commission stated that new 2 GHz licensees should not be required to pay for relocation "unless and until incumbents receive harmful interference, or cause harmful interference to new technology services." By doing so, the Commission sought to "encourage spectrum sharing between emerging technologies services and incumbent 2 GHz [] operations whenever technologically feasible."

In the Third NPRM, the Commission proposes that the aforementioned policy and the cost sharing formula adopted in the *Microwave Relocation*Cost-Sharing proceeding be applied to the relocation of BAS and FS incumbents in the 2 GHz band.<sup>5</sup> The cost sharing formula in that proceeding required all relocation costs to be shared among new licensees. Thus, if the first entrant pays the relocation

See In the Matter of Amendment of Section 2.106 of the Commission's Rules to Allocate Spectrum at 2 GHZ for Use by the Mobile-Satellite Service, ET Docket No. 95-18, First Report and Order, 12 FCC Rcd 7388, 7406 ¶ 42 (1997).

<sup>4</sup> Id.

See Third NPRM at ¶ 42; see also In re Amendment to the Commission's Rules Regarding a Plan for Sharing the Costs of Microwave Relocation, WT Docket No. 95-157, First Report and Order and Second Notice of Proposed Rulemaking, 11 FCC Rcd 8825, Appx. A, ¶ 3 (1996) ("Microwave Relocation Cost-Sharing").

expenses, it also secures the right to obtain reimbursement from all subsequent entrants. The Commission proposes, however, to exempt from any cost-sharing arrangement those 2 GHz MSS licensees' whose systems can employ technology that allows spectrum sharing with BAS and FS.<sup>6</sup>

As demonstrated above, Celsat's patented system will allow spectrum sharing so that both Celsat and BAS or FS licensees will be able to co-exist in the same spectrum without causing or receiving harmful interference to one another. It is Celsat's belief that spectrum sharing will facilitate the complete implementation of its highly affordable and innovative MSS system.

<sup>6</sup> See <u>Third NPRM</u> at ¶¶ 42, 49-51.

Accordingly, Celsat commends the Commission's efforts to encourage efficient use of the spectrum in this manner, and strongly supports the Commission's proposal to exempt certain qualified 2 GHz MSS applicants, like Celsat, from sharing relocation costs.

Respectfully submitted,

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